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DE RUEHKT #0831/01 0871139
ZNY CCCCC ZZH
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FM AMEMBASSY KATHMANDU
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0904
INFO RUEHLO/AMEMBASSY LONDON IMMEDIATE 3763
RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 9440
RUEHLM/AMEMBASSY COLOMBO IMMEDIATE 4377
RUEHKA/AMEMBASSY DHAKA IMMEDIATE 9460
RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 4109
RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 2356
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RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE

C O N F I D E N T I A L KATHMANDU 000831

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DEPT FOR SCA/INS

E.O. 12958: DECL: 03/28/2016
TAGS: [PGOV](#) [PTER](#) [PHUM](#) [NP](#)
SUBJECT: GOVERNMENT CONTEMPLATING APPOINTING A PRIME
MINISTER

REF: A. BEIJING 5355

[1](#)B. KATHMANDU 767

Classified By: Ambassador James F. Moriarty, Reasons, 1.4 (b/d).

Summary

[1](#)1. (C) In separate March 27 meetings with the Ambassador, Vice Chairman Tulsi Giri and Home Minister Kamal Thapa each stated that the King was considering appointing a Prime Minister and relinquishing his Chairmanship of the Government. Giri mentioned that he was pushing former Prime Minister (and octogenarian) KB Bhattarai as Prime Minister. The government officials expressed the hope such an move would suffice to defuse tensions with the parties, but agreed when the Ambassador suggested that the King should appoint a PM with a clear mandate to work with the political parties to come to consensus on a way back to democracy. The Ambassador put in a very strong pitch that the King should simultaneously announce HMGN's desire to negotiate with the Maoists on a cease-fire. The Ambassador emphasized that an increasingly frustrated Washington was watching the King's actions with concern, and would condemn His Majesty's Government of Nepal's (HMGN) actions to stifle the right to peaceful assembly or expression in connection with the Parties' planned demonstration on April 8. Nevertheless, both officials indicated that, in the face of Maoist threats, HMGN would have to act, including most probably instituting a night-time curfew, although they said HMGN would try to minimize the effects of any preventive actions. End Summary.

King Might Relinquish Some Power?

[1](#)2. (C) In separate calls on Vice-Chairman Tulsi Giri and Home Minister Kamal Thapa on March 27, the Ambassador stressed that Washington was very concerned about the way things were going in Nepal. He emphasized that the King needed to take positive steps to prevent the situation from continuing to deteriorate. The Ambassador informed the government officials that during his recent stop in Beijing (ref A), he had found China shared USG views about the situation in Nepal and felt strongly that the constitutional forces needed to

reconcile. He cautioned that an announcement by the King of parliamentary elections could widen the gap between the Palace and the Parties if the King did not first reach out to the political parties to bring them into the process. Giri asserted that, after talking with PACOM Admiral Fallon and SCA PDAS Camp, the King was "seriously considering relinquishing his chairmanship" and appointing a Prime Minister. Giri noted that he did not see a chance for Nepali Congress President GP Koirala or "anybody like that immediately occupying the PM'ship," but opined it was possible that the King might appoint former Prime Minister KB Bhattarai, whose health is fragile. He added that he was personally pushing for Bhattarai.

PM With Mandate to Dialogue With Parties

13. (C) Giri expressed the hope that forming a government under a legitimate political person would be enough to gain the support of the international community. The Ambassador responded that the King needed to do more than that and suggested the King appoint a Prime Minister with the specific mandate to seek reconciliation with the political parties, simultaneously releasing CPN-UML General Secretary Madhav Kumar Nepal and the other detainees, and calling for negotiations for a cease-fire. Giri agreed, "that's the process," but cautioned it would have to be done step-by-step. Kamal Thapa seemed more open to the simultaneous process and concurred that the King should take these steps before announcing nationwide elections. Both acknowledged that the King could stabilize the situation and relieve domestic and international pressure, if he took such steps. Giri stated he was arguing for this approach, but lamented that in the past the King would indicate approval of various proposals, but never move to implement them. He

speculated that the security forces were arguing against such an approach.

Home Minister: First Must Deal With "April Mess"

14. (C) Home Minister Thapa explained that the King would not announce such steps until "after the April mess." Thapa worried about the next two weeks leading up to the seven-party alliance's demonstration planned for April 8, in the middle of the April 6-9 nationwide general strike organized by the Maoists. Thapa stressed the HMGN viewed this as a "joint program" by the Maoists and seven-party alliance. He discounted the separate signing of the renewed commitment to the 12-point understanding (ref B) as a mere "technicality." He echoed Giri's accusation that the Parties were to blame for Nepal's current problems. The government officials stressed that HMGN could not remain quiet in the face of the Maoists' stated agenda of using street agitation to topple the government. The Vice-Chairman commented that the Maoists would, using threats, send people to participate; the government could not take a chance of the Maoists inciting violence in the capital. Thapa explained that the government would have to take some preventive measures. He noted that the government had a range of options, but would "try to minimize the use of force." He indicated HMGN might impose a night-time curfew before the event, and possibly a day-time curfew on April 8. He said that some had suggested calling a short-term (one or two week) state of emergency, but HMGN had not yet decided which exact actions to take.

Ambassador: USG Will Condemn Human Rights Abuses

15. (C) The Ambassador warned the Vice-Chairman and the Home Minister that the USG would strongly condemn HMGN actions that infringed on the rights of peaceful assembly or speech, or further rounds of arrests of political and civil society leaders. He also pressed for HMGN to release those remaining in detention, including UML leader MK Nepal. The Ambassador urged HMGN not to use possible USG condemnation of Nepali government actions in the coming days as an excuse not to go

forward with a plan for reconciliation and dealing with the Maoists. Home Minister Thapa acknowledged that HMGN would take unpopular steps, but assured the Ambassador that the King still wanted to reach out to the political parties. The Ambassador also cautioned the government against trying to isolate the CPN-UML from the rest of the seven-party alliance. Both Thapa and Giri recognized the dangers of isolating one of Nepal's major parties and denied HMGN was trying to carve out UML from the other parties.

Distrust of India

16. (C) Vice-Chairman Giri, reiterating recent concerns we have heard from other HMGN officials about India's intentions, went off on a diatribe against India. He asserted that everyone in Nepal believed that India did not want Nepal's problems solved and accused India of creating chaos to retain a hold over Nepal. The Ambassador disagreed and explained that India also saw the Maoists as a threat. He acknowledged, however, that India's Nepal policy was under pressure because of the lack of movement on the part of the King.

Comment

17. (C) Both Giri and Thapa appeared worried about Nepal's situation. They emphasized the King's willingness to be flexible and to reach out to the political parties. However, Giri seemed frustrated that the King had not moved to appoint a Prime Minister, despite Giri's advice. The Vice-Chairman indicated that although this was the course the King should take, he was not sure the King would actually do so.

MORIARTY